

Objection Deadline: August 6, 2018

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

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|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> , Debtors. ¹ | PROMESA Title III No. 17 BK 3283-LTS Re: ECF No. 1063, 1150, 3269 (Jointly Administered) |
| In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of PUERTO RICO SALES TAX FINANCING CORPORATION (“COFINA”) Debtor. | PROMESA Title III No. 17 BK 03284-LTS |

**SUMMARY OF FIRST APPLICATION OF MARINI PIETRANTONI MUÑIZ LLC
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE PUERTO RICO FISCAL
AGENCY AND FINANCIAL ADVISORY AUTHORITY FOR THE PERIOD FROM
MARCH 1, 2018 THROUGH MAY 31, 2018**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Name of Applicant: MARINI PIETRANTONI MUÑIZ, LLC

Authorized to Provide Professional Services to: Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) as the entity authorized to act on behalf of the Puerto Rico Sales Tax Financing Corporation.

Period for which compensation and reimbursement are sought: March 1, 2018 through May 31, 2018, (the “Compensation Period”)³.

Total amount of compensation approved by interim order to date: None

Total amount of expenses approved by interim order to date: None

Amount of Compensation sought as actual, reasonable, and necessary: \$3,286.35

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$0

Rates higher than those disclosed at retention: None

Number of professionals included in this application: 4

This is a(n): monthly X interim final application.²

This is the first interim fee application filed by Marini Pietrantoni Muñiz LLC in the Debtor’s Title III Case. The total time expended in connection with the preparation of this interim application is not included herein, as such time was expended after the Compensation Period.

² MPM’s fees and expense totals in this interim fee application do not differ from the sum previously-served in MPM’s monthly statements.

³ MPM appeared on behalf of AAFAF on March 6, 2018.

Prior Monthly Fee Statements Submitted:

| Compensation Period | Fees Incurred | Expenses Incurred |
|-----------------------------|----------------------|--------------------------|
| March 1 2018- April 30 2018 | \$2,543.40 | \$0 |
| May 1, 2018- May 31, 2018 | \$742.95 | \$0 |
| TOTAL INCURRED: | \$3,286.35 | \$0 |

Payments Made to Date:

| Compensation Period | Fees Paid | Expenses Paid |
|------------------------------|-------------------------|----------------------|
| March 1, 2018- April 30,2018 | \$2,289.06 ⁴ | n/a |
| May 1,2018-May 31, 2018 | \$0 | n/a |
| TOTAL PAID: | \$2,289.06 | n/a |
| TOTAL AMOUNT OWED: | \$997.29 | n/a |

⁴ 90% of fees requested.

TABLE OF SCHEDULES AND EXHIBITS

Schedule A- List and Summary of Hours by Professional (March -May 2018)

Schedule B - Summary of Hours and Compensation by Matter Code

Schedule C - Customary and Comparable Disclosures

Exhibit A - Attorney Certification

Exhibit B- Detailed Time and Expense Records

Schedule A

**LIST AND SUMMARY OF HOURS AND COMPENSATION BY PROFESSIONAL
(MARCH -MAY)**

| Name | Title or Position | Hourly Rate Billed in this Application ⁵ | Hours Billed in Application ⁶ | Total Compensation |
|-----------------------------|-------------------|-----------------------------------------------------|------------------------------------------|--------------------|
| CAROLINA VELAZ | MEMBER | \$193.50 | 5.0 | \$967.50 |
| GERALDINE TOSTE | PARALEGAL | \$112.50 | 0.5 | \$56.25 |
| LUIS MARINI | MEMBER | \$270.00 | 4.6 | \$1,242.00 |
| MARIA T. ALVAREZ | ASSOCIATE | \$162.00 | 6.3 | \$1,020.60 |
| TOTAL March-May 2018 | | | 16.4 | \$3,286.35 |

⁵ The hourly rates listed herein already include a 10 % discount.

⁶ All MPM professionals billed less than fifteen hours. The services provided by MPM were reasonable and necessary as MPM assisted in the finalizing, filing and review of motions and pleadings.

Schedule B

SUMMARY OF HOURS AND COMPENSATION BY MATTER CODE

| Task Code | Matter Description | Total Billed Hours | Total Amount |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| Case Administration | This category includes all matters relating to general case administration and coordination, records maintenance, drafting, review, analysis and filing of pleadings, assisting COFINA, through AAFAF, in fulfilling their duties as debtors in possession, and serves as a general code for services performed that do not fit under any other specific code. | 5.2 | \$1,113.30 |
| Claims Administration | This category includes all matters relating to the claims process in the Title III case. | 0.4 | \$77.40 |
| Fee Application | This category relates to time spent by MPM attorneys in connection with the preparation of fee or retention applications and reviewing the fee applications of other professionals. | 8.4 | \$1,512.00 |
| Other contested matters | This category includes analysis, preparation, and prosecution of adversary proceedings or other litigation. | 2.3 | \$567.45 |
| Relief from Stay | This category relates to all motions for stay relief or lift stay notices received by the Debtor in connection with COFINA's Title III Case. | 0.1 | \$16.20 |
| Totals | | 16.4 | \$3,286.35 |

Schedule C

CUSTOMARY AND COMPARABLE DISCLOSURES

| Category of Timekeeper | Blended Hourly Rate |
|--------------------------------------------------------|---------------------|
| Billed This Case During the Compensation Period | |
| Member | \$230.16 |
| Associate | \$162.00 |
| Paralegal | \$112.50 |
| Aggregated | \$200.39 |

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, *et al.*,

Debtors.⁷

PROMESA
Title III

No. 17 BK 3283-LTS

Re: ECF No. 1063, 1150, 3269

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING
CORPORATION (“COFINA”)

Debtor.

PROMESA
Title III

No. 17 BK 03284-LTS

**FIRST INTERIM FEE APPLICATION OF MARINI PIETRANTONI MUÑIZ LLC FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE PUERTO RICO FISCAL**

⁷ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

**AGENCY AND FINANCIAL ADVISORY AUTHORITY FOR THE PERIOD FROM
MARCH 1, THROUGH MAY 31, 2018**

Marini Pietrantoni Muñiz LLC (“MPM”), as counsel to the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), as the entity authorized to act on behalf of the Commonwealth of Puerto Rico, the Puerto Rico Sales Tax Financing Corporation, the Puerto Rico Highways and Transportation Authority, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (collectively, the “Debtors”), pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, makes its first interim application (this “Application”) for allowance of compensation, under sections 316 and 317 of PROMESA, Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the District of Puerto Rico and the United States Trustee *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses by Attorneys in Larger Chapter 11 Cases, effective, November 1, 2013*, of \$3,286.35 for the period of from March 1, 2018, through May 31, 2018 (the “Compensation Period”) in accordance with the *Second Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No. 3269] (the “Interim Compensation Order”) and the Memorandum regarding Fee Review- Timeline and Process, dated November 10, 2017 (the “Fee Examiner Guidelines”). In support of this Application, MPM respectfully states as follows:

BACKGROUND

1. On May 3, 2017, the Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight

Board”), as the Commonwealth’s representative pursuant to section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

2. On May 5, 2017, the Puerto Rico Sales Tax Financing Corporation (“COFINA”), by and through the Oversight Board, as COFINA’s representative pursuant to PROMESA section 315(b), filed a petition with the Court under Title III of PROMESA.

3. On May 21, 2017, the Puerto Rico Highways and Transportation Authority (“HTA”), by and through the Oversight Board, as HTA’s representative pursuant to PROMESA section 315(b) filed a petition with the Court under Title III of PROMESA.

4. On May 21, 2017, the Employees Retirement System for the Commonwealth of Puerto Rico (“ERS”), by and through the Oversight Board, as ERS’s representative pursuant to PROMESA section 315(b) filed a petition with the Court under Title III of PROMESA.

5. On July 3, 2017, the Puerto Rico Electric Power Authority (“PREPA”) by and through the Oversight Board, as PREPA’s representative pursuant to PROMESA section 315(b) filed a petition with the Court under Title III of PROMESA.

6. Through Orders of this Court, the Commonwealth, COFINA, HTA, ERS, and PREPA Title III Cases (together, the “Title III Cases”) are jointly administered for procedural purposes only, pursuant to PROMESA section 304(g) and Bankruptcy Rule 1015 [ECF Nos. 242,537,1417].

7. This Application seeks allowance of compensation and reimbursement of expenses incurred by MPM solely in connection with the COFINA related matters described below.

COMPENSATION REQUESTED BY MPM

8. AAFAF retained MPM pursuant to an engagement letter dated February 20, 2018, as subsequently amended, (the “Engagement Letter”). Pursuant to the Engagement Letter, payment of all fees and expenses detailed in this Application will be made exclusively by AAFAF.

9. MPM’s hourly rates are set at a level designated to compensate MPM fairly for the work of its attorneys and paraprofessionals and are disclosed in detail in the Engagement Letter. In light of the unique facts and circumstances of these Title III Cases, MPM agreed to provide a 10% discount on all fees incurred.

10. MPM’s rates are appropriate and reasonable for complex litigation and restructuring matters, whether in court or otherwise. The rates and rate structure reflect that such complex matters typically involve great complexity, high stakes, and intense time pressures. In addition, the fees charged by MPM are in accordance with the firm’s existing billing rates and procedures in effect during the Compensation Period. The rates charged by MPM for the services rendered by its professionals are consistent with the competitive market rates in Puerto Rico for bankruptcy matters, charged by other Puerto Rico attorneys who have appeared in the Title III cases.

11. MPM submits that the compensation requested is reasonable in light of the nature, extent, and value of such services provided to AAFAF.

SUMMARY OF SERVICES

12. During the Compensation Period, MPM provided important professional services to AAFAF in connection with the Title III Cases. Detailed descriptions of the specific services provided and the time expended performing such services are attached as **Exhibit B**, and a

summary of the services provided by MPM to AAFAF during the Compensation Period is set forth below.

13. MPM has served as counsel to AAFAF, who as the entity authorized to act on behalf of the Commonwealth, pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, has defended COFINA's rights and interests in the multiple litigations, and in the formulation of legal strategies related to the response to requests to modify the Title III Stay, the claims resolution procedure and the assumption and rejection of unexpired executory contracts, among other things.

14. MPM has worked in, among other things, the following: (i) the drafting and revision of motions and pleadings; (ii) preparation for hearings, and (iii); performed other services as described in this Application.

15. MPM attorneys, as counsel for AAFAF, also attended hearings and participated in teleconferences with AAFAF, its professionals, the Financial Oversight and Management Board, its professionals, creditors and other parties. More than one MPM attorney may have participated in these hearings and conferences when required in order to better represent AAFAF.

16. MPM has established subject matters categories (each, a "Matter Category") for keeping time records of the work performed for AAFAF. The following is a summary by Matter Category, of the professional services provided by MPM during the Compensation Period⁸.

a) Case Administration- 5.2- \$1,113.30

17. This category includes all matters relating to general case administration and coordination, record maintenance, pleading review and analysis, and assisting COFINA, through

⁸ Several of the matter categories, do not appear in this summary because MPM did not bill a substantial amount of time under those categories during the Compensation Period. **Exhibit B** provides a complete summary of the hours billed and total compensation requested by matter category.

AAFAF, in fulfilling its duties as debtor in possession, attending and preparing for omnibus hearings, and serves as a general code for services performed that do not fit under any other specific code.

b) Fee Applications-8.4- \$1,512.00

18. This category includes all time spent by MPM attorneys preparing its fee applications, as well as reviewing and commenting on fee applications of other professionals. During the Compensation Period, MPM spent time preparing its monthly fee statements for March through May.

c) Other Contested Matters- 2.3-\$567.45

19. This category includes analysis, preparation, and prosecution of adversary proceedings, contested matters, or other litigation. During the Compensation Period, MPM assisted in the drafting, revision and filing of motions in several adversary proceedings and contested matters, including Adversary Proceeding No. 17-00257.

ATTORNEY CERTIFICATION

20. In accordance with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4), the undersigned has reviewed the requirements of Puerto Rico Local Bankruptcy Rule 2016-1(a)(4) and certifies to the best of his information, knowledge and belief that this Application complies with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4). In this regard, and incorporated herein by reference, the Certification of Luis C. Marini Biaggi in accordance with the U.S. Trustee Guidelines is attached hereto as **Exhibit A**.

NO PRIOR APPLICATION FILED

21. No prior application for the relief requested by this Application has been made to this or any other court.

RESERVATION OF RIGHTS

22. MPM reserves the right to requests compensation for services and reimbursement of such expenses in a future application that have not been proceed in relation to the Compensation Period object of this Application.

WHEREFORE, MPM respectfully requests that the Court enter an order: (a) awarding MPM compensation for professional and paraprofessional services provided during the Compensation Period in the amount of \$3,286.35; and (b) granting such other relief as is appropriate under the circumstances.

Dated: July 16, 2018

San Juan, Puerto Rico

Respectfully submitted,

/s/Luis C. Marini-Biaggi
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*Attorneys for the Puerto Rico Fiscal
Agency and Financial Advisory Authority*

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, *et al.*,

Debtors.

PROMESA

Title III

No. 17 BK 3283-LTS

Re: ECF No. 1063, 1150, 3269

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING
CORPORATION (“COFINA”)⁹

Debtor.

PROMESA

Title III

No. 17-03284-LTS

**CERTIFICATION OF LUIS C. MARINI BIAGGI PURSUANT TO PUERTO RICO
LOCAL BANKRUPTCY RULE 2016-1(a)(4)**

⁹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Luis C. Marini Biaggi, under penalty of perjury certifies as follows:

1. I am a member with the law firm Marini Pietrantoni Muñiz LLC (“MPM”). I make this certification in accordance with Rule 2016-1(a)(4) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Puerto Rico (the “Local Rules”) regarding the contents of applications for compensation and expenses.
2. I am familiar with the work performed by MPM for the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) acting for or on behalf of the Debtors.
3. I have read the *First Interim Application of Marini Pietrantoni Muñiz LLC for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses As Counsel to the Puerto Rico Fiscal Agency and Financial Advisory Authority for the Period From March 1, 2018 through May 31, 2018* (the “Application”), and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.
4. To the best of my knowledge, information, and belief, formed after reasonable inquiry, the fees and disbursements sought in the Application are permissible under PROMESA, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order, the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses by Attorneys in Larger Chapter 11 Cases, effective, November 1, 2013* (the “Guidelines”), and the Local Rules.

Dated: July 16, 2018

/s/Luis C. Marini-Biaggi

